



State of North Carolina
Office of the Governor

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**GOV. EASLEY SIGNS BILL TO INCREASE ACCOUNTABILITY
OF NON-PROFIT GROUPS' USE OF STATE FUNDS**

Senate Bill 1008 Strengthens Reporting Requirements of All Non-Profits That Receive State Funds

RALEIGH— Gov. Mike Easley signed yesterday into law Senate Bill 1008, legislation to clarify and strengthen the reporting requirements for non-state entities receiving state funds. This bill requires all non-profit groups receiving state funds to report to the state budget office how they spent the money.

“This bill gives the state more ability to supervise the use of our state dollars,” said Easley. “This is an important step in our efforts to continue to increase accountability for taxpayer dollars and to ensure that all state funds are being used appropriately.”

The legislation includes provisions to:

- Require non-state entities receiving state funds to use them only for the purposes the General Assembly appropriated them;
- Request the Office of State Budget and Management to adopt rules ensuring uniform administration of grants to include disbursements, oversight, monitoring and evaluation;
- Require the Director of the Budget to take appropriate administrative action upon finding inappropriate use of state funds by a non-state entity;
- Give the Office of State Budget and Management the power to suspend disbursement of funds to grantees and prevent use of disbursed funds for inappropriate use of funds.

“The use of our taxpayers dollars should be carefully guarded,” said Sen. John Kerr (D-Wayne, Greene, Lenoir), author of Senate Bill 1008. “I am pleased to see that we will now have safeguards in place to make sure that those receiving state funding are not using them improperly or for personal gain.”

Senate Bill 1008 passed the Senate and the House by unanimous votes in both chambers.

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